THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, please immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your holding(s) of Ordinary Shares or Preference Shares in Hawtin PLC, you should send this document immediately, together with the accompanying form of proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

HAWTIN PLC

Proposed Disposal of

Spaform Limited

and

Notice of Extraordinary General Meeting

Your attention is drawn to the letter from the Chairman of Hawtin PLC set out on pages 4 to 8 of this document, which contains a recommendation by your Board to vote in favour of the resolutions to be proposed at the Extraordinary General Meeting referred to below.

Notice of an extraordinary general meeting of the Company to be held at 11.00 a.m. on 31 December 2003 at the offices of Eversheds LLP, 1 Callaghan Square, Cardiff, CF10 5BT is set out at the end of this document. To be valid, the enclosed form of proxy for use at the Extraordinary General Meeting, completed in accordance with the instructions thereon, must be received by the Company's registrars, Computershare Services PLC, PO Box 82, The Pavilions, Bridgewater Road, Bristol BS99 7NH, no later than 11.00 a.m. on 29 December 2003.

CONTENTS

OUTLINE TIMETABLE

Latest time and date for receipt of forms of proxy	11.00 a.m. on 29 December 2003
Date of Extraordinary General Meeting	31 December 2003
Expected Date of Completion	5 January 2004

DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

"Aquamarine"	Aquamarine SARL, a French, wholly owned subsidiary of Hawtin
"Barclay Leisure"	Barclay Leisure Limited, a wholly owned subsidiary of Hawtin
"Board" or "Directors"	the board of directors of Hawtin
"Brewin Dolphin Securities"	Brewin Dolphin Securities Ltd
"Completion"	completion of the Disposal
"Continuing Hawtin Group"	Hawtin and its remaining subsidiaries after the Disposal
"Disposal"	the proposed sale of Spaform to the Purchaser in accordance with the terms and conditions of the Sale Agreement
"Extraordinary General Meeting" or "EGM"	the extraordinary general meeting of the Company to be held on 31 December 2003
"Group" or "Hawtin Group"	the Company and its subsidiaries
"GW 745"	GW 745 Limited
"Hawtin" or "the Company"	Hawtin PLC
"Norfleet" or "Norfleet Properties"	Norfleet Properties (Holdings) Limited, a wholly owned subsidiary of Hawtin
"Official List"	The Official List of the United Kingdom Listing Authority
"Option holders"	the holders of options as described in paragraph 2.2 of Part III of this document
"Ordinary Shares"	the ordinary shares of 5p each in Hawtin
"Ordinary Shareholders"	the holders of Ordinary Shares
"Preference Shares"	the 6.5% cumulative preference shares of £1 each in Hawtin
"Purchaser"	GW 745 Limited
"Sale Agreement"	the conditional agreement dated 3 December 2003, entered into in connection with the Disposal, a summary of the principal terms of which is contained in paragraph 3.1 of Part III of this document
"Shareholders"	the holders of Ordinary Shares and Preference Shares
"Spaform"	Spaform Limited, a wholly-owned subsidiary of Hawtin
"UK Listing Authority"	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000

PART I

Letter from the Chairman

HAWTIN PLC

(Registered in England and Wales No. 7317)

Directors
L. Dovey, *Chairman and Chief Executive*
W.J. Dixon, *Finance Director*
S.H.P. Morgan, *Director and Company Secretary*
A.J. Woodhouse, *Non-Executive Director*

Registered Office:
Beechwood House
Greenwood Close
Cardiff Gate Business Park
Cardiff CF23 8RD

To the holders of Ordinary Shares and, for information only, the holders of Preference Shares and Option holders.

15 December 2003

Dear Sir/Madam

PROPOSED DISPOSAL OF SPAFORM LIMITED

Introduction

It was announced on 4 December 2003 that Hawtin had entered into an agreement to dispose of its spa bath business, Spaform, to GW 745. The total amount to be received by Hawtin will be £4.0 million in cash. In certain circumstances, payment of up to £500,000 of this amount may be deferred.

The Disposal will be effected by way of the Sale Agreement, the principal terms of which are described in paragraph 3.1 of Part III of this document. The transaction is conditional upon the approval of Ordinary Shareholders because of its size in relation to that of Hawtin.

As Mr James Telford is a director of Spaform and will own more than 30% of the ordinary share capital of GW 745, the Disposal is a related party transaction as defined by the rules of the United Kingdom Listing Authority (''the Rules'') and is therefore also conditional upon the approval of Ordinary Shareholders at the EGM. To enable Mr Telford to finance the acquisition of some of his shares in GW 745, Hawtin proposes to extend to him a loan of £80,000. The provision of this loan is, too, a related party transaction as defined by the Rules and so is also conditional upon the approval of Ordinary Shareholders at the EGM.

The purpose of this document is (i) to provide you with the details of, and the background to, the Disposal, (ii) to supply you with information relating to Spaform and the loan to Mr Telford, (iii) to explain to you the ongoing strategy of Hawtin and (iv) to explain to you why the Directors consider the Disposal to be in the best interests of Hawtin and recommend that you vote in favour of the resolutions that will be proposed at the EGM.

Reasons for the Disposal

As Shareholders have already been informed, to meet the objective of reducing Hawtin's borrowings, it has been the Board's policy to respond positively to offers for assets and subsidiary companies belonging to the Group. Already this year, Hawtin has sold its Ultrabronz sunbed business in the USA, the Powersport fitness equipment business, the Gul wetsuit and watersports business, the Certikin swimming pool accessory business and two investment properties in South Wales. The sale of Spaform represents a continuation of, and is consistent with, this strategy.

Information on Spaform

Spaform manufactures and sells acrylic spa baths, hot tubs, whirlpool baths and swimming pool steps from factory and office premises in Portsmouth. The product range includes domestic, portable and commercial overflow models, sold throughout Europe and to various customers across the world.

Spaform currently employs 142 staff at its Portsmouth premises and has two employees in Germany, where it operates a sales branch.

Since the year 2000, Spaform has experienced a series of exceptional events and financial adjustments and has consequently been an uneven contributor to Hawtin's consolidated results. In May 2000, its factory was destroyed by fire. Production was continued from other premises until rebuilding of the existing premises was completed in August 2001. Insurance proceeds were received to compensate for the loss incurred from the disruption to the business, for the increased costs of working and in respect of the reinstatement of premises and equipment destroyed. These proceeds generated exceptional profits of £3.945 million in 2000 and £1.745 million in 2001.

In September 2002, the two (then) executive directors of Spaform resigned. Immediately following their departure, the new management team carried out a reappraisal of the business in which it was discovered that Spaform was performing substantially worse than previously reported. Detailed investigations into product costings and stock records led the Board to conclude that the underperformance in trading had begun in the previous year. The 2002 accounts therefore included a prior year adjustment of £1.35 million in respect of overstated assets and understated liabilities. Partly as a consequence of this adjustment, Spaform reported a loss before taxation of £1.79 million in the year to 31 December 2002; net assets at that date were £863,000. In the 6 months to 30 June 2003, there was a loss before taxation of £409,000; net assets at that date were £454,000.

Until 31 July 2003, Spaform owned the freehold of the Portsmouth premises, which were therefore reported as fixed assets in Spaform's audited balance sheet as of 31 December 2002. At that date, Norfleet, Hawtin's property subsidiary, acquired the property at its net book value of £5.4 million for cash. The property is thus now indirectly owned by Hawtin itself and will not form part of the Disposal. The proceeds of the sale of the property to Norfleet were used to repay a substantial part of Spaform's bank borrowings which effectively then became the obligation of Norfleet. On 29 November 2003, Norfleet and Spaform confirmed in writing the agreement of 31 July 2003 which leased the Portsmouth premises to Spaform for 25 years at a rental of £395,000 for the twelve months from 1 August 2003 rising to £440,000 thereafter subject to 5 yearly, upwards only, rent reviews with breaks at year 15 and year 20. At the same date, as consideration for the repayment of £1.1 million of a £3.85 million inter-company loan, Spaform transferred to Norfleet structural fixtures and fittings in the Portsmouth buildings valued at £1.1 million; Norfleet anticipates making an impairment provision against these fixtures and fittings.

Spaform has instituted legal proceedings against its former directors, both of whom resigned in September 2002, for recovery of certain sums paid in relation to their employment. Hawtin has met all of the costs of pursuing this action. Prior to Completion, the rights of Spaform in connection with these proceedings will be assigned to Hawtin.

Details of the profit and loss account of Spaform for the 3 financial years to 31 December 2002 are contained in Part II of this document. Further details of the legal proceedings against the former directors of Spaform are contained in Part III.

Terms and effect of the Disposal

Subject to approval of ordinary shareholders, GW 745 will acquire the entire issued share capital of Spaform for a consideration of £600,000 in cash, payable on Completion. In addition, GW 745 will procure the repayment at Completion by Spaform of £2.75 million in full settlement of the balance of an inter-company loan and an estimated £650,000 operating overdraft at Completion.

Up to £500,000 of the repayment of the inter-company loan may be deferred for a period of up to 9 months. The precise amount deferrable will depend upon the extent to which expected debtor covenants at Completion may not be achieved. GW 745 will be obligated to make the deferred repayment as soon as the relevant debt covenants allow it to complete its financings. Any deferred repayment will be interest bearing.

In connection with the Disposal, it is proposed that Spaform will lend Hawtin the sum of £80,000 which sum will in turn be loaned to James Telford to assist him in the purchase of his shares in GW 745. The loan to Mr Telford will be interest free and only repayable as and when he disposes of his shares in GW 745 subject to a long-stop termination date. The loan from Spaform to Hawtin will only be repaid upon Hawtin receiving repayment of the loan made to Mr Telford. Further details of the Sale Agreement and the loan to Mr Telford are contained in paragraphs 3.1 and 3.2 of Part III of this document.

Following receipt of the proceeds referred to in the previous paragraph, Hawtin expects to have repaid all of its working capital borrowings and to have a positive cash balance. A Group term loan amounting to £5.4 million will remain outstanding.

The Board considers the Disposal to be in the best interests of Hawtin. Disregarding the effect of exceptional insurance receipts, Spaform has been consistently unprofitable in recent years. After the Disposal, these losses will be eliminated from the Group's consolidated results. In addition, Group borrowings, and so Group interest charges, will reduce, and Group property income will be increased by the rents receivable from the Portsmouth premises.

Use of Proceeds of the Disposal

The gross proceeds of the Disposal will in the first instance be used to meet expenses of the Disposal estimated to be some £100,000. The balance of the proceeds will be used to repay short-term Group borrowings of approximately £650,000 and to establish cash resources available for future investment.

Aquamarine

On 19 November 2003, Hawtin announced the disposal of its French spa bath company, Aquamarine. The following is the full text of the disposal announcement.

> "The Board of Hawtin announces that, on 18 November 2003, it entered into a conditional agreement to sell its wholly-owned French subsidiary, Aquamarine SARL ("Aquamarine").
>
> The sale is conditional upon the Completion, expected prior to the end of 2003, of certain health and safety improvements at Aquamarine's business premises.
>
> The prospective purchasers of Aquamarine are Somethy (La Societe de Materiel Therapeutique et Hydrotherapique) (88%), Rosemary Warner (6%) and Serge Coonaert (6%). Rosemary Warner has acted as General Manager of Aquamarine for the past 5 years. The consideration for the equity of Aquamarine is €65,000 payable in cash at Completion together with the repayment of €488,000 of inter Group borrowings as follows: €166,000 to be paid in satisfaction of the above condition regarding completion of works; €122,000 to be paid over the three years following Completion; and €200,000 to be paid on a monthly basis from Completion, each monthly repayment depending on the number of spa baths sold. Remaining inter-Group balances of €279,000 will be written off.
>
> In the financial year to 31 December 2002, Aquamarine recorded a loss before taxation of €230,000; net liabilities at that date were €725,000.
>
> Aquamarine is a manufacturer and distributor of spa baths for leisure and commercial markets in France. It occupies factory and office premises in Villeneuve sur Lot, Western France, that cover an area of 3,345 square metres. Hawtin is retaining ownership of these premises and has agreed to lease them to Aquamarine for nine years at an annual rental of €55,000.
>
> Aquamarine's disposal is in line with the Hawtin Board's stated policy of responding favourably to offers for assets and subsidiaries belonging to the Hawtin group in order to reduce bank debt. The net proceeds from the sale will, in the first instance, be applied towards reducing working capital borrowings which will have the effect of reducing group interest charges. In addition, in future years, group property income will increase."

Current Trading and Prospects

The Group's results for the six months to 30 June 2003 were published on 19 September 2003. These included an allocation of trading results between continuing and discontinued businesses and an analysis of exceptional items.

Half year results for Spaform were included as continuing operations in the interim results. Following the sale of Spaform and the recently announced disposal of Aquamarine, Hawtin's sole remaining activities will be Norfleet and its UK sunbed business, Barclay Leisure. The latter has been operating at a reduced level in order to fulfil contractual obligations under the agreement relating to the sale of the business of Ultrabronz Inc. in March 2003. Manufacturing has now ceased and the business is being closed.

Since 30 June 2003, the date of the end of the 6 months for which the interim financial statements of the Hawtin Group have been published, the Company has disposed of its swimming pool businesses, Certikin International Limited and MMC SARL, for £5.473 million in cash (subject to certain downwards only adjustments) and Aquamarine for €553,000. On the other hand, along with the disposal of Spaform, these disposals will yield an aggregate net exceptional profit likely, however, to be offset by further losses at Barclay and the impairment provision to be made against the value of the structural fixtures and fittings transferred from Spaform to Norfleet.

Results for the 12 months to 31 December 2003 are expected to show continuing losses from ordinary trading activities together with a mixture of exceptional gains and losses arising out of the disposals and closures of the Group's manufacturing businesses. The board is confident of the carrying values and potential of the Group's investment properties.

On 20 November 2003, Mandaco 328 Limited ("Mandaco"), the company to which was sold the business and certain assets of Powersport International Limited (Hawtin's former activity in commercial exercise and fitness equipment), was placed in administration. The Powersport business is based in Bridgend, South Wales, where it occupies a 56,000 sq ft facility and office premises owned by Norfleet on which, since 9 June 2003, it has been due to pay an annual rental of £145,000. To date, all rental payments due have been received.

Under the agreement to sell the Powersport business, Mandaco was to pay Hawtin deferred consideration of £110,000 stretching over a period of almost 2 years from the date of completion. Provisions may be required against sums payable by Powersport and liabilities of Powersport that were guaranteed by Hawtin; however, a charge is held over some of the Intellectual Property of Powersport. Should the business not be sold as a going concern, the Board is confident that the premises could be re-let at a similar rental or sold for a satisfactory consideration.

Shareholders will be kept informed.

Continuing Strategy

Throughout the course of 2003, Hawtin has been successful in achieving its stated objective of reducing Group borrowings. Following the Disposal, the sale of Aquamarine and the closure of Barclay Leisure, Hawtin will have ended its involvement with manufacturing, will be reduced to a core of property assets, will have eliminated its exposure to trading losses from manufacturing activities and will have cash resources available for investment.

The Board has also been reviewing the arrangements for transactions in the Company's share capital. Their conclusion is that Hawtin, whose Ordinary Shares have a current market capitalisation of only £6 million and whose shareholders are principally private individuals, is at present too small for the Official List and that the costs of listing are now too high in relation to the Company's size. It is therefore the Board's intention that, as soon as possible following the publication of the report and accounts for the year to 31 December 2003, application will be made to the UK Listing Authority for cancellation of the listing of the Ordinary Shares.

At the same time, application would be made for the admission of the Ordinary Shares to the Alternative Investment Market of the London Stock Exchange ("AIM"). AIM is a market specifically designed for small or developing companies. The Board is advised that, in normal circumstances, there is no interruption to the dealing facilities available to shareholders and investors in general when the trading market in a security is transferred from the Official List to AIM.

Between Completion and the intended admission to AIM, the Company will be deemed by the UK Listing Authority to be a cash company and any transaction within that period will thus be deemed a reverse takeover which would require suspension of the Company's listing.

Shareholders will be written to closer to the anticipated time of the intended cancellation of listing and application for admission to AIM.

Extraordinary General Meeting

An extraordinary general meeting of the Company will be held at 11.00 a.m. on 31 December 2003 at Eversheds LLP, 1 Callaghan Square, Cardiff, CF10 5BT, at which will be proposed ordinary resolutions to approve the Disposal and the loan to Jim Telford. A notice convening the Extraordinary General Meeting appears at the end of this document.

Action to be taken

A reply paid form of proxy is enclosed for use by Ordinary Shareholders at the Extraordinary General Meeting. Whether or not you intend to be present at the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and to return it to the Company's registrars, Computershare Services PLC, 82 The Pavilions, Bridgewater Road, Bristol BS99 7NH, as soon as possible and, in any event, so that it is received no later than 11.00 a.m. on 29 December 2003. The return of a completed form of proxy will not prevent you from attending the EGM and voting in person if you so wish.

Recommendation

The Directors, having been so advised by Brewin Dolphin Securities, believe that the Disposal and the loan to Jim Telford are fair and reasonable so far as the Shareholders of the Company are concerned and in the best interests of Shareholders as a whole. Accordingly, the Directors recommend that Ordinary Shareholders vote in favour of the resolutions to be proposed at the Extraordinary General Meeting.

In my own right, and through a company which I control, I have a beneficial interest in 11,270,912 Ordinary Shares. I have undertaken that I will vote all of these shares in favour of the resolutions. Mr John Dixon, Hawtin's Finance Director who beneficially owns a further 250,000 Ordinary Shares, has also undertaken to vote all of these shares in favour of the resolutions. In total, the Directors have a beneficial interest in 11,520,912 Ordinary Shares, 16.1 per cent of the issued ordinary share capital. Neither Mr James Telford, nor anyone associated with him, owns or controls any Ordinary or Preference Shares of Hawtin. In addition, irrevocable undertakings to vote in favour of the resolutions have been given in respect of the beneficial shareholdings of Philip Dovey and Richard Morgan who together own 10,690,400 Ordinary Shares amounting to 14.6 per cent of the issued ordinary share capital.

Yours faithfully
Leonard Dovey
Chairman

PART II
FINANCIAL INFORMATION

(a) Financial Information on Spaform

1. Basis of preparation

The financial information on Spaform, for the period from 1 January 2000 to 31 December 2002 has been extracted without material adjustment from the audited accounts of Spaform for the year to 31 December 2000, the year to 31 December 2002 and, in respect of the year to 31 December 2001, from the restated figures for that year contained as the comparative figures in the audited accounts of Spaform for the year to 31 December 2002. These accounts have been prepared in accordance with U.K. generally accepted accounting principles and the Group's accounting policies. The results for the three years ended 31 December 2002 have been filed with the Registrar of Companies and have received unqualified opinions pursuant to section 237 of the Companies Act. The results for the year to 31 December 2001 were subsequently restated following the discovery, during 2002, of overstatements of the values of certain assets.

2. Profit and loss account

The results for the financial years to 31 December 2000 and 31 December 2002 as included in the audited accounts of Spaform are shown in the table below: Results for the year to 31 December 2001 as included in the table below have been restated following a prior year adjustment and are as reported in the accounts of Spaform to 31 December 2002.

	Year ended 31 December 2000 £'000	*Year ended 31 December 2001 £'000 (restated)*	*Year ended 31 December 2002 £'000*
Turnover	7,350	8,738	11,234
Cost of sales	(6,911)	(9,511)	(10,592)
Gross profit/(loss)	439	(773)	642
Administration expenses	(1,650)	(1,216)	(2,161)
Other operating income	1,965	1,745	—
Operating profit/(loss)	754	(244)	(1,519)
Profit on disposal of fixed assets	1,980	1	8
Interest	(383)	(36)	(280)
Profit/(loss) before taxation	2,351	(279)	(1,791)
Taxation	(88)	(308)	114
Profit/(loss) after taxation	2,263	(587)	(1,677)
Dividend	(500)	(500)	—
Retained profit/(loss) for the financial year	1,763	(1,087)	(1,677)

3. Spaform balance sheet at 31 December 2002

	£'000
Fixed assets	
Tangible Assets (see note below)	8,086
Intangible Assets	10
	8,096
Current assets	
Stocks	961
Debtors	2,190
Cash	362
	3,513
Creditors	
Amounts falling due within one year	6,746
Net current assets	(3,233)
Total assets less current liabilities	4,863
Creditors	
Amounts falling due after more than one year	(4,000)
Net assets attributable to equity shareholder	863

Note:

Tangible Fixed Assets at 31 December 2002 included freehold land and buildings at a net book value of £5.451 million. At 31 July 2003, these assets were transferred to Norfleet, at book value in exchange for cash. Furthermore, structural fixtures and fittings at the Spaform premises were included in Tangible Fixed Assets as of 31 December 2002 at a net book value of £1.75 million. Following depreciation and an impairment provision of £534,000, the net book value at 31 August 2003 of the fixtures and fittings was £1.1 million, which value was transferred to Norfleet by an offset against an inter Group loan. Neither the freehold land and buildings nor the structural fixtures and fittings form part of the Disposal.

(b) Proforma Statement of Net Assets

Set out below, for illustrative purposes only, to show the effects of the sale of Spaform is a proforma statement of the net assets of the Group after the sale of Spaform as if that had occurred on 30 June 2003, the date of the interim balance sheet of Hawtin published in the interim report of the Company. This proforma statement of net assets, because of its nature, may not give a true picture of the financial position of Hawtin. It has been prepared on the basis of:

(i) figures shown in the interim accounts of Hawtin as at 30 June 2003; and

(ii) adjustments made in respect of the Disposal

		Adjustments					
	Balance Sheet of Hawtin plc as at 30 June 2003 £'000	*Balance Sheet of Spaform Limited as at 31 December 2002 (Note 1) £'000*	*Consideration for share capital (Note 2) £'000*	*Inter Group Settlement (Note 3) £'000*	*Release of overdraft (Note 4) £'000*	*Property Transfer (Note 5) £'000*	*Proforma Balance Sheet as at 30 June 2003 £'000*
Fixed Assets							
Tangible	13,733	(8,086)	—	—	—	6,595	12,242
Intangible	609	(10)	—	—	—	—	599
	14,342	*(8,096)*	—	—	—	*6,595*	*12,841*
Current Assets							
Stocks	5,806	(961)	—	—	—	—	4,845
Debtors	11,488	(2,190)	—	—	—	—	9,298
Cash	5,941	(362)	500	2,750	650	—	9,479
	23,235	*(3,513)*	*500*	*2,750*	*650*	—	*23,622*
Creditors: amounts falling due within one year	(24,480)	6,746	—	150	(650)	(5,495)	(23,729)
Net Current (Liabilities)/Assets	*(1,245)*	*3,233*	*500*	*2,900*	—	*(5,495)*	*(107)*
Total assets less Current Liabilities	*13,097*	*(4,863)*	*500*	*2,900*	—	—	*12,734*
Creditors: amounts falling due after one year	(5,627)	4,000	—	(2,900)	—	(1,100)	(5,627)
Provisions	(305)	—	—	—	—	—	(305)
Equity minority interest	(33)	—	—	—	—	—	(33)
Net Assets attributable to equity shareholders	*7,132*	*(863)*	*500*	—	—	—	*6,769*

Notes

1. All amounts in relation to Spaform are taken from the balance sheet shown in Part II (a) above.
2. The adjustments to cash balances is as follows:

	£'000
Cash received in settlement of Share Capital	600
Less estimated transactions costs	(100)
	500

3. The adjustment to inter Group balances are as follows:
   - The receipt of cash in settlement of the Spaform inter Group balance of £2.75 million.
   - An adjustment to bank overdraft within "Creditors: amounts falling due within one year", in respect of £150,000 paid between the balance sheet date and the date of the transaction.
   - A £2.9 million reduction in Group balances within "Creditors: amounts falling due after more than one year", being the net effect of the above movements.

   The adjustment assumes that there is no deferment in consideration on Completion. To the extent that a deferment occurs, subject to a maximum amount of £500,000, the effect on the adjustment will be to increase Debtors and reduce Cash until repaid.
4. The adjustment to Cash and Bank overdraft within "Creditors: amounts falling due within one year", relates to the release of the expected overdraft on Completion through settlement by the Purchaser.
5. Within Tangible fixed assets of the Group and Spaform at 31 December 2002 is the net book value of land and buildings and the structural fixtures and fittings of the Portsmouth property. Cash proceeds of £5.495 million relating to the transfer of the land and buildings were applied against the Bank overdraft within "Creditors: amounts falling due within one year". The written down value of the structural fixtures and fittings of £1.1 million was applied to the Group loan within "Creditors: amounts falling due after more than one year".

   The effect of the transfer is to retain the combined premises and fixtures and fittings within the Group after the Disposal.

(c) Report from Deloitte & Touche LLP

The following is a letter from Deloitte & Touche LLP in connection with the Proforma Statement of Net Assets contained in Part II (b) of this document:

Deloitte & Touche
Blenheim House
Fitzalan Court
Newport Road
Cardiff CF24 0TS

Deloitte & Touche

The Directors
Hawtin PLC
Beechwood House
Greenwood Close
Cardiff Gate Business Park
Cardiff CF23 8RD

The Directors
Brewin Dolphin Securities Limited
7 Drumsheugh Gardens
Edinburgh EH3 7QH

15 December 2003

Dear Sirs

HAWTIN PLC

PROPOSED DISPOSAL OF SPAFORM

We report on the unaudited proforma net assets statement ("the proforma financial information") set out in Part II (b) of the circular dated 15 December 2003 issued by Hawtin PLC ("Hawtin"). The proforma financial information has been prepared for illustrative purposes only, to provide information about how the proposed disposal of Spaform, might have affected the financial information presented.

Responsibilities

It is the responsibility solely of the Directors of Hawtin to prepare the proforma financial information in accordance with paragraph 12.29 of the Listing Rules of the UK Listing Authority ("the Listing Rules").

It is our responsibility to form an opinion, as required by the Listing Rules, on the proforma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the proforma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our work in accordance with the Statements of Investment Circular Reporting Standards and the Bulletin 1998/8 "Reporting on proforma financial information pursuant to the Listing Rules" issued by the Auditing Practices Board in the United Kingdom. Our work, which involved no independent examination of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussions regarding the proforma financial information with the Directors of Hawtin.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States or other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

In our opinion:

(i) the proforma financial information has been properly compiled on the basis stated;

(ii) such basis is consistent with the accounting policies of Hawtin; and

(iii) the adjustments are appropriate for the purposes of the proforma financial information as disclosed pursuant to paragraph 12.29 of the Listing Rules.

Yours faithfully

DELOITTE & TOUCHE LLP

PART III

ADDITIONAL INFORMATION

1. Responsibility statement

The Directors whose names appear at the top of page 4 of Part I of this document accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors' and other interests

2.1 As at the date of this document, the interests of the Directors in the share capital of the Company which have been notified by each Director to the Company pursuant to Sections 324 or 328 of the Companies Act 1985 ("the Act") or which are required to be entered in the register maintained pursuant to Section 325 of the Act or which are interests of a connected person of a Director (within the meaning of Section 346 of the Act) which would require to be disclosed if that person were a Director and the existence of which is known to or could, with reasonable diligence, be ascertained by that Director, all of which are beneficial interests unless otherwise stated are as follows:

Director	*Number of ordinary shares held*	*% of issued ordinary share capital*	*Number of preference shares held*	*% of issued preference share capital*
Leonard Dovey	11,270,912 (Beneficial)	15.71	nil	nil
William John Dixon	250,000 (Beneficial)	0.35	nil	nil
Stephen Huw Perrott Morgan	nil	nil	nil	nil
Anthony John Woodhouse	nil	nil	nil	nil

2.2 The following options are exercisable under the terms of the Executive Share Option Scheme 1995. The options granted may be exercised at dates before February 2010.

Director	*Options Over Shares*	*Exercise Price*
William John Dixon	250,000	15.5p
Stephen Huw Perrott Morgan	50,000	15.5p
Stephen Huw Perrott Morgan	40,000	34.5p

2.3 Insofar as is known to the Company, the following are Ordinary Shareholders, other than the Directors who, at 12 December 2003 (the latest practical date prior to publication of this document), directly or indirectly, were interested in 3% or more of the Company's issued ordinary share capital.

Ordinary Shareholder	*Number of Ordinary Shares*	*% of issued ordinary share capital*
Philip James Dovey	6,137,343	8.56
Richard Powell Morgan	4,553,057	6.35
The Fernback Family and Pension Scheme	3,477,183	4.85

2.4 Insofar as is known to the Company, the following are Preference Shareholders, who, at 12 December 2003 (the latest practicable date prior to publication of this document), directly or indirectly, were interested in 3% or more of the Company's issued Preference Shares.

Preference Shareholders	*Number of Preference Shares*	*% of issued Preference Share capital*
State Street Nominees (Jove Investment Trust)	200,000	36.4
Co-operative Insurance Society Limited	187,448	34.2
The Investment Company Plc	67,768	12.5
Maunby Investment Managers	50,000	9.1
Union Pension Trust Limited	20,000	3.6

2.5 Other than is disclosed in the circular to shareholders concerning the disposal of the Certikin Group of Companies dated 28 July 2003, no Director has any interest in any transactions which is or was unusual in its nature or conditions or significant to the business of the Group and which was either effected by the Company during its current or immediately preceding financial year, or which was effected by the Company during an earlier financial year and remains in any respect outstanding or unperformed.

2.6 There have been no changes to the service agreements of the members of the Board that were set out in the circular to shareholders concerning the disposal of the Certikin Group of Companies dated 28 July 2003.

3 Material contracts

The principal contents of all the material contracts (not being contracts entered into in the ordinary course of business) entered into by any member of the Continuing Hawtin Group or any member of the Group within the two years immediately preceding the date of publication of this document or of any other contract (not being a contract in the ordinary course of business) entered into by any member of the Continuing Hawtin Group which contains any provision under which any member of the Continuing Hawtin Group has any obligation or entitlement which is material to the Continuing Hawtin Group as at the date of this document, and which has not been available for public inspection within the two years preceding the date of this document, are set out below.

Material contracts of the Group that have been available for public inspection within the two years preceding the date of this document are again available for public inspection as disclosed in paragraph 9.8 of Part III of this document.

3.1 On 3 December 2003, Hawtin entered into an agreement with GW 745 whereby, subject to the approval of ordinary shareholders, Hawtin will receive from GW 745 the sum of £600,000 as consideration for the entire issued share capital of Spaform. The consideration will be paid in full on Completion.

In addition to the payment of the consideration, GW 745 will procure the repayment of Spaform's overdraft, which is anticipated to be approximately £650,000 and the repayment by Spaform of £2,750,000 of inter Company debt currently owed to Hawtin.

If certain working capital requirements cannot be achieved at Completion, up to £500,000 of the repayment of inter-company debt may be deferred for a period of no longer than 9 months. For the first 6 months of the deferral period, Hawtin shall be entitled to receive interest from GW 745 at an annual rate of base plus 1.75%, and at base plus 4% for the 3 months thereafter. GW 745 will be required to use its best endeavours to repay the deferred consideration as soon as possible in any event within 9 months.

Only limited warranties are being given by Hawtin, in view of the knowledge of the business which James Telford holds.

3.2 Immediately prior to Completion of the sale of Spaform, it is proposed (subject to the approval of the Disposal and of the loan to be made by Hawtin to James Telford by the shareholders at the EGM) that Spaform will make an interest free loan of £80,000 to Hawtin. Hawtin will subsequently lend the sum of £80,000 to James Telford, on an interest free basis, to assist with the purchase of shares in GW 745. The loan to James Telford will be repayable on the earlier of the disposal of his shares in GW 745 and the expiry of 80 years. The loan from Spaform to Hawtin will be repayable only upon and in the event of Hawtin being repaid by James Telford. Accordingly, Hawtin will have no on-going net liability in respect of the obligation to repay Spaform.

3.3 On 18 November 2003, Hawtin entered into an agreement with La Societe de Materiel Therapeutique et Hydrotherapique (Somethy), Rosemary Warner and Serge Coonaert ("the Buyers") whereby, Hawtin will receive from the Buyers, on Completion, the sum of €65,000 for the entire issued share capital of Aquamarine.

In addition, the Buyers will procure that Aquamarine repays to Hawtin the sum of €488,000 in respect of the inter-company debt outstanding on 18 November 2003. Of this sum, €166,000 is payable on Completion and €122,000 is to be paid over the three year period following Completion. The balance of €200,000 will be paid on a monthly basis with the monthly repayments being based on the number of spas sold in the previous month.

Hawtin will write off the balance of the inter-company debt at Completion, being €279,000.

Aquamarine has entered into a 9 year lease of its factory in France with Norfleet at an annual rent of €55,000.

Usual warranties were given by Hawtin to the Buyers, limited to 5 years, in accordance with usual practise in France.

Although formal agreements have been executed, they are being held in escrow pending the completion of some maintenance work at Aquamarine's factory. It is anticipated that the works will have been completed and the sale formally completed by no later than 31 December 2003.

3.4 There are no material contracts (not being contracts in the ordinary course of business) entered into by Spaform within the two years immediately preceding the date of publication of this document or of any other contract (not being a contract entered into in the ordinary course of business) in respect of Spaform which contains any provision under which Spaform has any obligation or entitlement which is material to Spaform as at the date of this document, and which has not been available for public inspection within the last two years preceding the date of this document.

4. Working capital

The Directors are of the opinion that the Continuing Hawtin Group, after taking into account available bank and other facilities and the net proceeds of the Disposal, has sufficient working capital for its present requirements, that is, for at least the next 12 months from the date of this document.

5. Litigation

5.1 Other than as referred to in paragraph 5.2 below, there are not, nor have there been, any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or may have had in the past twelve months, a significant effect on the financial position of the Continuing Hawtin Group.

5.2 "At the Beach Tanning", a customer of Ultrabronz America Inc ("Ultrabronz"), incorporated in the United States, the business which was sold on 31 March 2003, has threatened to sue Ultrabronz in the United States, in respect of the sale of sunbeds which it is alleged were of unmerchantable quality. The claimant has indicated through its attorney that it believes the value of its claim to be $100,000. The claimant's attorney has stated that he intends to act on behalf of other purchasers of Ultrabronz sunbeds by filing a class action in the US Federal Court against Ultrabronz and related companies and is seeking further information from Ultrabronz's attorneys relating to the number of other customers of the product. Any liability arising out of this claim was excluded from the sale of the business of Ultrabronz and so remains a potential liability of the Company. As far as the Directors are aware, no action has actually been commenced against Ultrabronz. It is the view of the Directors, having taken legal advice in the United States on the claims, that based upon the information that is currently available there does not exist any material liability in relation to the threatened action.

5.3 Other than as referred to in paragraph 5.4 below, there are not, nor have there been, any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or may have had in the past twelve months, a significant effect on the financial position of Spaform.

5.4 Spaform issued proceedings in April 2003 against two former directors, Simon Hallett and Paul Anthony Thomas, in respect of certain sums paid to them in connection with their employment. The claim is in respect of the following:

the overstatement of fixed assets of Spaform by classifying certain items of stock as fixed assets;

the overstatement of stock held by Aquamarine;

the overstatement of stock held by Spaform;

unauthorised payments to the wife of Mr Thomas of a salary when she was not an employee of Spaform and/or carried out no duties; and

the solicitation of former employees of Spaform in contravention of the terms of compromise agreements entered into by Spaform and each of the former directors.

It is alleged that the overstatements referred to above were used in the calculation of the gross profits of Spaform and Aquamarine respectively upon which bonus payment to the former directors were based and thus wrongly inflated the level of bonus payments made.

It is alleged that, in connection with the matters set out above, the former directors acted fraudulently, negligently and in breach of express and implied duties of fidelity, care and skill. Spaform's claim is for loss and damages amounting to approximately £220,000 in aggregate, an account for all profits made by the former directors as a result of these breaches, and to recover interest on all sums found to be due. In addition Spaform is seeking a declaration that compromise and consultancy agreements entered into by Spaform and each of the former directors have been rescinded.

6. Significant changes

6.1 Since 30 June 2003, the date of the end of the six months for which the interim financial statements of the Hawtin Group have been published, the Company has disposed of its swimming pool business, Certikin International Limited, for £5.743 million in cash (subject to certain downwards only adjustments) and has agreed the conditional disposal of Aquamarine for €553,000 of which €322,000 is deferred. As noted on page 7 of this document, on 20 November 2003, Mandaco 328 Limited ("Mandaco"), the company to which was sold the business and certain assets of Powersport International Limited (Hawtin's former activity in commercial exercise and fitness equipment), and a tenant of Norfleet, was placed in administration.

6.2 Save as disclosed above, there has been no significant change in the financial or trading position of the Continuing Hawtin Group since 30 June 2003, the end of the last six months for which an unaudited interim financial statement of the Group has been published.

6.3 Spaform produced losses in the year to 31 December 2002. In 2003 to date, turnover has fallen slightly but, due to improvement in margins, Spaform has to date produced a small profit before Group management charges.

6.4 Save as disclosed in the paragraph immediately above, there has been no significant change in the financial or trading position of Spaform since 31 December 2002, the end of the last period for which audited accounts of Spaform have been published.

7. Information on Director of Spaform

James Henry Telford, a director of Spaform, is a shareholder in GW 745. Initially he will own 32% of the ordinary share capital of GW 745.

As at the date of this document Mr Telford had made no notification of any interest in either the ordinary or preference share capitals of the Company which, were he a Director of the Company, would have to have been made pursuant to sections 324 or 328 of the Companies Act 1985 ("the Act") or which would have been required to be entered into the register maintained pursuant to section 325 of the Act or which would have been interests of a connected person of a director (within the meaning of section 346 of the Act) which would require to be disclosed if that person were a director and the existence of which is known to or could, with reasonable diligence be ascertained by that director.

Save as disclosed in paragraphs 3.1 and 3.2 above, Mr Telford has no interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Group and which either was effected by the Company during its current or immediately preceding financial year, or which was effected by the Company during an earlier financial year and remains in any respect outstanding or unperformed.

Mr Telford was appointed Managing Director of Spaform in December 2002 for an introductory period of 6 months, which has been extended by mutual agreement. No written service agreement has been entered into but the terms of his employment provide for a salary, a bonus and benefits amounting to £120,341 per annum. Mr Telford is also entitled to contributions to his Personal Pension Plan of £8,000 per annum.

8. Miscellaneous

8.1 Deloitte & Touche LLP have given, and not withdrawn, their written consent to the inclusion in this document of their letter and their name and references thereto in the form and context in which they appear.

Brewin Dolphin Securities have given, and not withdrawn, their written consent to the inclusion in this document of their name and references thereto in the form and context in which they appear.

9. Documents on display

The following documents or copies thereof may be inspected at the offices of Eversheds LLP, Senator House, 85 Queen Victoria Street, London EC4V 4JL, during normal business hours on any weekday (Saturdays and public holidays excepted) up to and including 31 December 2003 and at the Extraordinary General Meeting:

9.1 The Memorandum and Articles of Association of the Company;

9.2 the audited consolidated accounts of the Company for the periods ended 31 December 2001 and 31 December 2002;

9.3 the interim financial statements of the Hawtin Group for the six months to 30 June 2003;

9.4 memorandum describing the terms of employment of James Telford as set out in paragraph 7 above;

9.5 the service contract entered into between the Company and John Dixon dated 25 February 1999;

9.6 the service contract between the Company and Stephen Morgan dated 22 May 1998;

9.7 the material contracts referred to in paragraph 3 of Part III above;

9.8 material contracts (not being contracts entered into in the ordinary course of business) entered into by any member of the Hawtin Group within the two years immediately preceding the date of this document which have been previously available for public inspection within the 2 years immediately preceding the date of this document, namely:

(i) the contract, dated 8 March 2002, between Powersport International Limited ("Powersport"), a wholly-owned subsidiary of the Company, and Sport Engineering Limited and Lifestyle Engineering Limited, summarised in the circular to Shareholders dated 25 February 2003;

(ii) the contract, dated 12 September 2002, between Certikin and Marc Chiron and Sylvie Sort, summarised in the circular to Shareholders dated 25 February 2003;

(iii) the contract, dated 19 December 2002, between Norfleet and PMG Developments PLC, summarised in the circular to Shareholders dated 25 February 2003;

(iv) the contract, dated 9 January 2003, between the Company and three nominee companies of Helical Bar PLC, summarised in the circular to Shareholders dated 25 February 2003;

(v) the contract, dated 31 March 2003, between the Company and Sol Enterprises Inc, summarised in the circular to Shareholders dated 5 June 2003;

(vi) the contract, dated 12 May 2003, between the Company, Powersport International Limited (a wholly-owned subsidiary of the Company) and Mandaco 328 Limited, summarised in the circular to Shareholders dated 5 June 2003;

(vii) the contract dated 19 June 2003, between the Company and Quayshelfco 999 Limited, summarised in the circular to shareholders dated 28 July 2003; and

(viii) the contract dated 3 July 2003 between the Company and European Corner SA summarised in the circular to shareholders dated 28 July 2003.

9.9 the letter from Deloitte & Touche LLP, dated 15 December 2003, which forms Part II (c) of the document and contains their report on the Proforma Statement of Net Assets set out in Part II(b) of this document; and

9.10 this document.

15 December 2003

HAWTIN PLC

(Registered in England and Wales No. 7317)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the Company will be held at Eversheds LLP, 1 Callaghan Square, Cardiff, CF10 5BT on 31 December 2003 at 11.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions:

ORDINARY RESOLUTIONS

(1) THAT the disposal of the entire issued share capital of Spaform Limited which is the subject of the conditional agreement between Hawtin PLC and GW 745 Limited dated 3 December 2003, details of which are contained in the circular to shareholders dated 15 December 2003 (copies of the said circular and agreement having been produced to the meeting and initialled by the Chairman for the purpose of identification) be and is hereby approved AND THAT the directors of Hawtin PLC be and are hereby authorised to do all acts and things which they may consider necessary or desirable to complete the same insofar as such acts and things are not material.

(2) THAT, subject to the passing of resolution (1) in the notice convening the meeting of shareholders dated 15 December 2003, the loan of £80,000 which the Company proposes making to James Telford (currently a director of Spaform Limited) on the terms of an undated loan agreement (a copy of which has been produced to the meeting and initialled by the Chairman for the purpose of identification) be and is hereby approved AND THAT the directors of Hawtin plc be and are hereby authorised to do all acts and things which they may consider necessary or desirable to complete the same insofar as such acts and things are not material.

Registered Office
Beechwood House
Greenwood Close
Cardiff Gate Business Park
Cardiff
CF23 8RD

By Order of the Board
S.H.P. Morgan
Secretary

15 December 2003

Notes:

1. Only persons entered on the register of members of the Company at close of business on 29 December 2003 or on the second day prior to the date of any adjournment of the meeting shall (if otherwise entitled to do so) be entitled to attend and vote at the meeting or any adjournment. This is in accordance with section 41 of the Uncertificated Securities Regulations 2001.
2. A holder of ordinary shares of the Company entitled to attend and vote at the above meeting may appoint one or more proxies to attend and, on a poll, vote instead of him or her. A proxy need not be a member of the Company and the appointment of a proxy will not prevent the member from attending and voting in person at the meeting should he/she so wish.
3. A form of proxy accompanies this notice. To be valid, the form of proxy and any power of attorney or other authority under which it is signed must be lodged with the Company's registrars, no later than 48 hours before the time for which the meeting is convened.
4. Holders of Preference Shares and option holders are not entitled to attend or vote at the meeting convened by this notice.

Pillans & Waddies, Edinburgh. 74743

HAWTIN PLC

Form of Proxy

Proxy for the use at the Extraordinary General Meeting of the Company

I/We ....
(FULL NAME(S) IN BLOCK CAPITALS)

of ....
(ADDRESS IN BLOCK CAPITALS)

being a member/members of Hawtin PLC hereby appoint as my/our proxy, to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held at 11.00 a.m. on 31 December 2003 at the offices of Eversheds, 1 Callaghan Square, Cardiff, CF10 5BT and at any adjournment thereof, the duly appointed Chairman of the meeting or (see Note 1)

....

My/Our proxy is to vote as indicated by an 'X' below in respect of each of the resolutions set out in the notice of the meeting

Ordinary Resolution	FOR	AGAINST
1. To approve the disposal of the entire issued share capital of Spaform Limited and to authorise the Directors to take all action reasonably necessary to complete the said sale		
2. To approve the sale of Spaform Limited to an associate of a related party (James Henry Telford) and approve the loan of £80,000 to James Henry Telford		

Signature(s) ....

....

Full Name(s) ....
(Block Capitals)

....

Date 2003

Notes:

1. This Form of Proxy together with the Power of Attorney or any other Authority, if any, under which it is signed, or a Notarially certified copy thereof, must be deposited at the Registrars, Computershare Investor Services PLC, PO Box 82, The Pavilions, Bridgwater Road, Bristol, BS99 7NH not less than 48 hours before the time for holding the meeting.
2. Where the appointer is a corporation this form must be under seal or under the hand of an officer or attorney duly authorised.
3. In the case of joint holders the signature of any of them will suffice but the names of all joint holders should be shown.
4. Directions as to voting on the specified resolutions should be indicated by an X in the appropriate space.
5. Unless otherwise directed the Proxy will vote or abstain from voting as he/she thinks fit on the specified resolutions.
6. Any alteration to this Form of Proxy must be initialled.
7. Only proxies or their members may attend the meeting. Only members personally present (or corporations present by proxy or in accordance with the Companies Acts) may vote on a show of hands.
8. Holders of Preference Shares and Optionholders are not entitled to attend or vote at the meeting.

SECOND FOLD

BUSINESS REPLY SERVICE
Licence No SWB 1002

1

Computershare Investor Services PLC
PO Box 82
The Pavilions
Bridgwater Road
Bristol
BS99 7NH

FIRST FOLD

THIRD FOLD AND TUCK IN